FIRST REGULAR SESSION

HOUSE BILL NO. 356

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PLOCHER.

0270H.01I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 311.198, RSMo, and to enact in lieu thereof one new section relating to liquor control.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 311.198, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 311.198, to read as follows:

311.198. 1. Notwithstanding any other provision of law, rule, or regulation to the contrary, a brewer may lease to the retail licensee and the retail licensee may accept portable refrigeration units at a total lease value equal to the cost of the unit to the brewer plus two percent of the total lease value as of the execution of the lease. Such portable refrigeration units shall remain the property of the brewer. The brewer may also enter into lease agreements with wholesalers, who may enter into sublease agreements with retail licensees in which the value contained in the sublease is equal to the unit cost to the brewer plus two percent of the total lease value as of the execution of the lease. If the lease agreement is with a wholesaler, the portable refrigeration units shall become the property of the wholesaler at the end of the lease period, 10 which is to be defined between the brewer and the wholesaler. A wholesaler may not directly 11 or indirectly fund the cost or maintenance of the portable refrigeration units. Brewers shall be 12 responsible for maintaining adequate records of retailer payments to be able to verify fulfillment of lease agreements. No portable refrigeration unit may exceed forty cubic feet in storage space. 13 14 A brewer may lease, or wholesaler may sublease, not more than one portable refrigeration unit per retail location. Such portable refrigeration unit may bear in a conspicuous manner substantial 15 16 advertising matter about a product or products of the brewer and shall be visible to consumers 17 inside the retail outlet. Notwithstanding any other provision of law, rule, regulation, or lease to

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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the contrary, the retail licensee is hereby authorized to stock, display, and sell any product in and from the portable refrigeration units. No dispensing equipment shall be attached to a leased portable refrigeration unit, and no beer, wine, or intoxicating liquor shall be dispensed directly from a leased portable refrigeration unit. Any brewer or wholesaler that provides portable refrigeration units shall within thirty days thereafter notify the division of alcohol and tobacco control on forms designated by the division of the location, lease terms, and total cubic storage space of the units. The division is hereby given authority, including rulemaking authority, to enforce this section and to ensure compliance by having access to and copies of lease, payment, and portable refrigeration unit records and information.

- 2. Any lease or sublease executed under this section shall not exceed five years in duration and shall not contain any provision allowing for or requiring the automatic renewal of the lease or sublease.
- 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after January 1, 2017, shall be invalid and void.

[4. This section shall expire on January 1, 2020. Any lease or sublease executed under this section prior to January 1, 2020, shall remain in effect until the expiration of such lease or sublease.]

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